

THE TRUTH ABOUT TWO RAILWAYS

**The Conservatives blame the Liberals for
their present troubles with the Grand
Trunk Pacific and the Canadian
Northern.**

**THE FACTS PROVE the Conservatives
themselves are wholly to blame.**

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Two Railways

In defending himself against Sir Wilfrid Laurier's complaints that the Borden Government were enormously increasing the annual spending at a time when the annual income was falling, Hon. Mr. White, Finance Minister in the Borden Cabinet, replied that they had found on their doorstep some expensive projects left there by the Liberals. The reference was to the National Transcontinental and Canadian Northern Railways.

Borden Changed People's Contract with G.T.P.—Then Came the Present Trouble.

The National Transcontinental was almost completed when the Liberals left office, and a great part of its cost had been paid out of the annual surpluses of the Laurier-Fielding times. The history of the road since 1911, briefly, is that the new government has made certain changes which have given the Grand Trunk Pacific Company an arguable case for declining to take over the "lean" part of the line. The very foundation of the original contract was that the Grand Trunk people should be satisfied during the construction period, which was but right, as the road was built by the country to be leased to them. **The present government has altered this fundamental understanding, and now a long, bitter and, for the country, destructive controversy looms ahead.**

Liberals Aided C.N.R. but Insisted on Supervision of Rates by Railway Commission.

As to the Canadian Northern affair, it is necessary to cross some t's and dot some i's. The Laurier Government and the Liberal party did, from year to year, as the rapid growth of the West manifested itself, accord the usual railway grant encouragement to the Canadian Northern people according as they advanced their lines into new sections of prairie country. With this assistance, the company financed its undertakings. Later on, the Laurier Government recommended similar grants in encouragement of con-

necting the western with the eastern system of the company. Practically all the Provincial Governments aided in this great work according to their means and requirements.

In return for these grants, the Laurier Government uniformly demanded and obtained the agreement of all railway companies requiring them to submit to the supervision of the Railway Commission of Canada.

The British Columbia Tory Government Spoiled Commission Supervision.

One day, Mr. McBride, Conservative Premier of British Columbia, announced that he had made an agreement with Mackenzie and Mann under which their road would reach the coast. The Legislature was dissolved, an election was held, and Mr. McBride was returned to power. With this costly adventure, the origin of the difficulties which later brought the company to Parliament seeking rash measures of financial relief for their whole system, the Laurier Government at Ottawa had nothing whatever to do.

The Laurier Government Then Declined Further Aid.

Not very long before the general elections of 1911, a demand was nevertheless made upon the Railway Department for the usual grants in aid. Hon. Geo. P. Graham, then Minister of Railways, replied that the Mackenzie-Mann contract with Sir Richard McBride's government made this impossible. That contract not merely provided for control of the railway in British Columbia by British Columbia authority, but obligated the Canadian Northern to resist in court any attempt that might be made to bring the road under the control of the Dominion Railway Commission. Hon. Mr. Graham pointed out that they must get rid of this engagement with Mr. McBride, and be prepared to sign the same engagement as to control of rates which they had taken for all other parts of their road, before he could recommend payment of the subsidies.

The C.N.R. Fought Against the Liberals in 1911.

The Canadian Northern, therefore, had an interest amounting to millions of dollars (the subsidy in mountain country being \$6,400 a mile) to procure the election of a more amenable minister and cabinet.

Their political influence was thrown, as all know, against the Liberals in the 1911 elections, their influence was admittedly para-

mount when the Borden Ministry was constructed, and in due course they were given the subsidy they asked for, Hon. Mr. Graham's public protest and relation of what had happened being ignored by men who owed their party's success, and in some cases their personal advancement, to these causes, and who were willing to suffer the resulting impairment of the authority of the Railway Commission, probably the most effective instrument for securing private and public right against the usurpations of grasping corporations that has been devised in the whole history of the country.

Since 1911 Borden Has Given the C.N.R. Whatever It Asked.

And this, as it turned out, was only a prelude to other and still vaster demands made by the Canadian Northern people on the Cabinet it had practically created, and which that Cabinet obediently honoured and forced Parliament to ratify.

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